

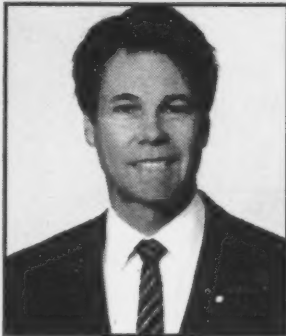


BREAKING THE CYCLE THE THIRD PROGRESS REPORT

Ontario's Poverty Reduction Strategy
2011 Annual Report



Minister's Message



It is my privilege as the Minister of Children and Youth Services to lead Ontario's Poverty Reduction Strategy and to present this annual report, which reflects three years of dedicated effort and commitment to reducing poverty in our province and building a stronger Ontario.

Certainly, there is a clear moral imperative for the Poverty Reduction Strategy. It is the right thing to do. But there are critically important economic and social imperatives as well. We will thrive and prosper as a province and as a society when every child and youth has the opportunity to succeed and contribute to their community. We cannot afford anything less. That is why we have chosen to focus our efforts strategically on the needs of children and their families in the first five years of the strategy in order to break the intergenerational cycle of poverty.

Of course, our efforts toward poverty reduction have taken place in a climate of considerable economic uncertainty. There is no question that the economic downturn of the past few years has presented serious challenges. Despite these challenges, we remain strongly committed to our Poverty Reduction Strategy and we know it is making a difference.

The poverty rate for children in Ontario declined from 15.2 per cent in 2008 to 14.6 per cent in 2009, which means 20,000¹ children have moved out of poverty, due in part to our investments in children and families. As well, the poverty rate for children living in deep poverty declined from 8.5 per cent in 2008 to 7.3 per cent in 2009, meaning 34,000 children were lifted out of deep poverty. Poverty rates for children in single mom-led families dropped most dramatically, from 43.2 per cent in 2008 to 35.2 per cent in 2009. It is important to note that data from Statistics Canada lags by 18 months. This means statistics for our income-based indicators are available for only the first year of the strategy. However, these developments show that the Poverty Reduction Strategy is already making a real difference in the lives of children and families in low-income circumstances.

Over the past three years, we have taken deliberate steps to help families hit hardest by the recession, while continuing our substantial investments in children. Major initiatives like the Full-Day Kindergarten Program, the Student Nutrition Program and Best Start Child and Family Centres provide opportunities for children to get the best possible start, which increases their chances to succeed later in life. We have made key investments to create jobs in Ontario and improve our social and economic infrastructure. At the same time, we are helping families get back on their feet through increased financial supports such as Ontario tax credits, an increased minimum wage and the Ontario Child Benefit, which remains a cornerstone of our Poverty Reduction Strategy.

Poverty reduction is everybody's business. I acknowledge, with respect and thanks, the tireless work being done by thousands of individuals and organizations in communities across the province whose contribution is making a difference every day for our most vulnerable citizens. I also thank the many Ontarians who took part in the dialogues held throughout 2011. I can assure you that your insights and suggestions will do much to inform our work as we move forward in 2012.

A handwritten signature in dark ink, appearing to read 'Eric Hoskins'.

The Honourable Dr. Eric Hoskins
Minister of Children and Youth Services

¹ The Poverty Reduction Strategy uses Statistics Canada's Low Income Measure (LIM50) fixed to a base year of 2008 to assess progress in reducing child poverty. For 2009, the LIM50 lines are determined by applying the Canada Consumer Price Index (CPI) inflation rate to the base year. Under Statistics Canada's methodology for calculating the LIM, the number of kids in poverty would have been 393,000 versus 392,000. The result would be 19,000 kids lifted out of poverty versus 20,000 kids under Ontario's Poverty Reduction Strategy LIM methodology.

Ontario's Poverty Reduction Strategy

The roots of poverty are complex and the task of reducing poverty in Ontario is multi-faceted and challenging. Ontario's Poverty Reduction Strategy sets out a comprehensive plan to address the needs of Ontarians and build structures necessary to break the cycle of poverty.

Ontario is focusing first on children and their families, with the goal of reducing the number of children living in poverty by 25 per cent over five years. Our plan is about investing in the potential of all Ontarians and we are putting programs and supports in place so each of us can grow, succeed and contribute. It was developed with the goals of increasing opportunities and reducing barriers.

All children should have what they need for the best possible start in life:

- High-quality early learning and child care
- Opportunities for educational achievement and success in later life
- Resources for families so they can support their children's well-being

All Ontarians should have the opportunities and tools they need to succeed:

- Tax relief and reform
- Access to jobs and a path out of unemployment
- Fair minimum wages and fair working conditions

Strong economic and social foundations are critical to a prosperous and healthy Ontario:

- Strong communities and community-based services
- A not-for-profit sector that is valued and supported

Poverty affects all of us and poverty reduction requires that all of us play a role. The Ontario government acknowledges with gratitude the many partners — individuals, organizations and communities across the province — who are making a difference every day and helping to achieve the goals of Ontario's Poverty Reduction Strategy.

BREAKING THE CYCLE: THE THIRD PROGRESS REPORT

Ontario's Poverty Reduction Strategy 2011 Annual Report Highlights

Ontario's Poverty Reduction Strategy was launched in December 2008 with the goal of reducing the number of children living in poverty by 25 per cent over five years. We have focused our efforts primarily on children and families. But we have also taken steps to create opportunity for those most adversely affected by the economic downturn, and build the economic and social foundations to achieve our long-term goals to reduce poverty. Here's how Ontarians are benefiting:

From 2008 to 2009, the first year of the Poverty Reduction Strategy, 20,000 children moved out of poverty. This represents a decrease of over four per cent in the number of children living in poverty.

Stronger, healthier kids and families

- 50,000 four- and five-year olds in nearly 800 schools are getting an educational head start through Full-Day Kindergarten, while their parents are saving up to \$6,500 a year on child care.
- Close to one million children and their families receive the Ontario Child Benefit. Parents currently receive up to \$1,100 annually per child under 18, increasing to \$1,310 in 2013.
- 130,000 kids will have access to preventive dental care through Healthy Smiles Ontario.
- A provincewide network of Best Start Child and Family Centres is being developed to provide children and families with seamless and accessible family-centred programs and services in Ontario communities.
- Child care is transferring to the Ministry of Education to enable a more integrated and modernized approach to the continuum of child care, early learning and education.
- 50,000 kids will benefit from Ontario's new Mental Health and Addictions Strategy, which provides faster access to high-quality services, identifies and intervenes in kids' mental health issues earlier, and closes critical service gaps for vulnerable kids and those in remote communities.
- 4,000 more Aboriginal children and youth will benefit from funding to hire new Aboriginal mental health and addictions workers who will provide culturally appropriate services.
- Funding of \$22.7 million for child well-being to First Nation communities for assessment, counselling and other services to address social and community concerns.
- School dropout rates are being lowered by as much as 70 per cent in targeted low-income communities through the Pathways to Education mentoring and tutoring program.
- The Student Nutrition Program provides over 660,000 students with nutritious breakfasts, snacks and lunches in 2010-11.
- The *Building Families and Supporting Youth To Be Successful Act, 2011* removes barriers so that more kids in the care of children's aid societies can find permanent families.

Poverty rates for single mom-led households decreased from 43.2 per cent in 2008 to 35.2 per cent in 2009.

Opportunity for all

- Ontario's first comprehensive review of social assistance in 20 years is well underway, with the goal of making social assistance more streamlined and coordinated and helping more people get into jobs.
- Funding of \$481 million through a new affordable housing agreement between the provincial and federal governments will build 1,000 new affordable housing units, renovate over 6,000 units and create over 5,000 jobs.
- Funding of \$5 million every year is helping tenants avoid eviction through the Provincial Rent Bank.
- Important changes to the *Residential Tenancies Act, 2006* will, if passed, cap rent increases and give renters more stable housing costs.
- Low-income families will be better able to meet their monthly costs of living through the new Ontario Trillium Benefit, which combines the quarterly Ontario Sales Tax Credit, Ontario Energy and Property Tax Credit and Northern Ontario Energy Credit into one monthly payment.
- Ninety-three per cent of Ontarians received a permanent tax cut in 2010, averaging \$355 per family, and 90,000 Ontarians were removed from the tax rolls altogether.
- A new college and university tuition grant reduces average tuition for lower- and middle-income students by as much as 30 per cent, helping to remove financial barriers to postsecondary education.
- The *Accessibility for Ontarians with Disabilities Act* is helping people with disabilities – traditionally among the lowest-income groups in Ontario – with opportunities to participate more fully in employment and community life.
- Since 2003, more than 50,000 skilled newcomers have been getting the training they need to successfully enter their professions in Ontario through Bridge Training Programs.

The number of children living in households that could not afford two or more essential items has dropped to 8.7 per cent in 2009, down from 12.5 per cent in 2008.

Stronger foundations in our communities

- The Social Venture Exchange (SVX) is being launched to attract investment in organizations with a social mission and help accelerate progress in reducing poverty.
- The Partnership Project is building a partnership between government and not-for-profit organizations, so they can focus their resources to better deliver services to Ontarians.
- A Social Innovation Summit was held in 2011 to bring business, government, academic and community leaders together to explore better ways to unleash the potential of social enterprises, and to guide the development of social innovation policy.

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1. INTRODUCTION

THE FIRST THREE YEARS

Ontario's Poverty Reduction Strategy was launched in 2008. This report shows our progress during the first three years.

About the Poverty Reduction Strategy

In 2007, following extensive consultations with a variety of groups across the province, the McGuinty government announced its commitment to set targets for poverty reduction in Ontario. The first Poverty Reduction Strategy in Ontario's history was launched in December 2008. Poverty reduction became law in Ontario in 2009.

Recognizing that poverty reduction is a long-term provincial priority, the *Poverty Reduction Act, 2009* requires the government to report annually on key poverty indicators and develop a new strategy, through consultation, every five years. Our current goal is to reduce child poverty by 25 per cent over five years. Thus, our focus in the first five years is on supporting children and their families.

We know our initiatives are helping to reduce poverty. We are making progress, even in difficult economic times:

- Without the Poverty Reduction Strategy, the number of children in poverty would be almost eight per cent higher².
- We have seen a significant shift of single-parent families moving off social assistance from 42 per cent of cases in 2002 down to 30 per cent in 2010.
- As well, a single mom with a small child, working full time at minimum wage and accessing all benefits has seen her take-home income increase by \$10,600 (or 58 per cent) since 2003. This single mom and her child are now able to live above the poverty line.

Vision

Ontario's Poverty Reduction Strategy is guided by the vision of a province where every person has the opportunity to achieve his or her full potential and contribute to and participate in a prosperous and healthy Ontario.

Building our shared future

During the first three years of the Poverty Reduction Strategy, we have witnessed one of the most dramatic global economic downturns in generations.

In 2008, our government invested heavily to lessen the impact of the recession on families by protecting and creating jobs. Our indicators show the positive impact of that decision. In 2009, the first year of the strategy, we have made real and measurable progress. We have made progress on reducing the number of kids living in poverty, and we accomplished this in a tough economic climate.

"Growing up in poverty has a long-term impact on a person's health and well-being. Governments are concerned about the growing cost of health care, but investing upfront to cut poverty rates will lead to better health outcomes in the long run."

David McNeil, President,
Registered Nurses' Association of Ontario

Learn more

Learn more about Ontario's Poverty Reduction Strategy at:
ontario.ca/breakingthecycle

² The estimate was calculated by removing from household income the various benefits associated with the Poverty Reduction Strategy that were received in 2009 and assessing the resulting income against the poverty line.

But we know there is much more to do. In these times of significant global change and uncertainty, we remain committed to our Poverty Reduction Strategy.

We recognize that, while a strong economy is a necessary foundation for poverty reduction, healthy children and families, high-quality child care and education, and strong, vibrant communities are, in turn, the foundation of a strong Ontario, both now and in the future.

Poverty reduction is not only the right thing to do, it is key to our economic future and to harnessing the potential of people as our most important provincial resource.

Engaging communities

When we began developing the Poverty Reduction Strategy, we understood that it was important to

listen – to communities, stakeholders, and those with lived experience of being in poverty – to help us better understand the reality of poverty in Ontario's communities.

In 2010–11, the Minister of Children and Youth Services attended six roundtables across the province, as part of our commitment to further engage people in their communities at the halfway point of the five-year strategy. The Minister listened to their advice and had meaningful dialogues about how the strategy is unfolding in individual communities.

The government continues to value the important work being done in our communities and by dedicated not-for-profit organizations in Ontario. We believe that all Ontarians have a role to play in reducing poverty and that is why engaging with communities across the province remains an important part of implementing the Poverty Reduction Strategy.



"The first lesson to be learned is that a government commitment matched by good policy can make a big difference in people's lives.... In Ontario, child poverty actually fell between 2008 and 2009, inching down from 15.2% to 14.6% using the province's own Low Income Measure.... In Alberta, for example, child poverty soared by 25 per cent in the same period. What's the difference? Ontario took concrete action to reduce child poverty."

25 in 5 Network for Poverty Reduction



Measuring Progress: The Child and Youth Opportunity Wheel

Understanding the impacts of poverty is more complex than just measuring income levels.

In order to provide a more complete picture of poverty, eight indicators are used to measure the impact of the Poverty Reduction Strategy across a variety of dimensions.

The indicators are:

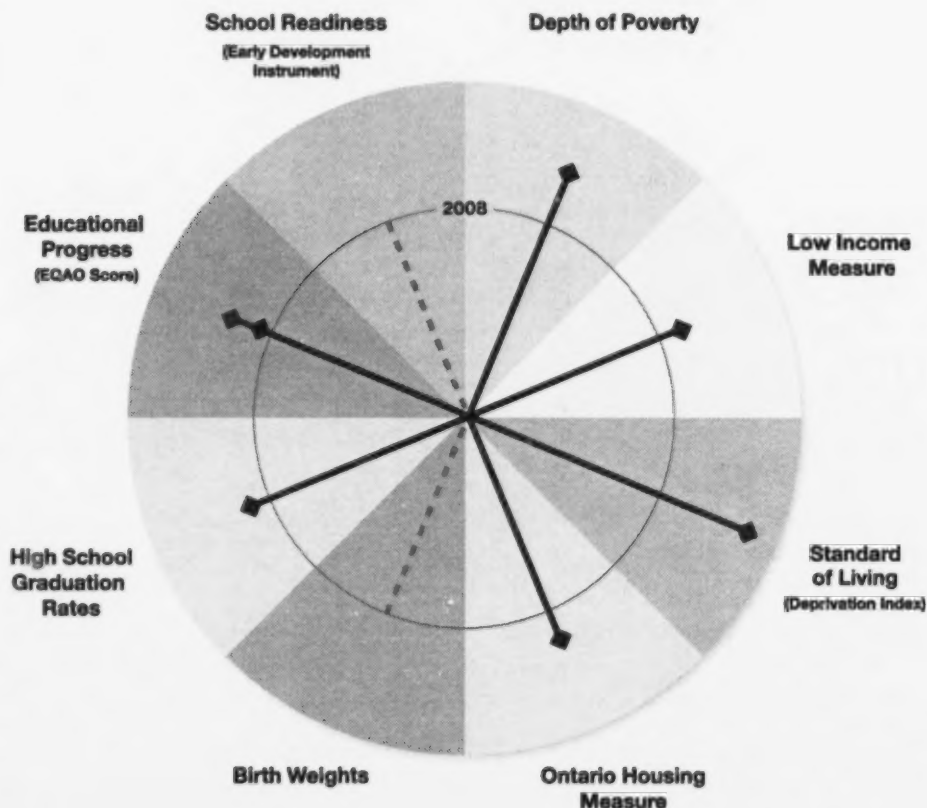
1. Birth Weights
2. School Readiness (Early Development Instrument)
3. Educational Progress (EQAO Score)
4. High School Graduation Rates
5. Low Income Measure
6. Depth of Poverty
7. Standard of Living (Ontario's Deprivation Index)
8. Ontario Housing Measure

For more information on the indicators, please see page 18.

The Child and Youth Opportunity Wheel provides a visual summary of improvements over time in each of the eight indicators. The inside circle represents the baseline data starting at 2008 on all indicators. Spokes going out from the centre measure progress for each year. Where a spoke extends outwards past the inner circle, this means outcomes have improved. The further the spoke is from the circle, the larger the improvement. If a spoke falls inside the circle, outcomes have deteriorated.

Due to an 18 month time lag in the way that Statistics Canada measures many of these indicators, this year's report includes the first available data showing the impact of our Poverty Reduction Strategy. As such, due to that same time lag, data is only available for the first year of our Strategy.

The Child and Youth Opportunity Wheel



Poverty Reduction Strategy Indicators

Progress made on each indicator for 2009-10 and 2010-11. Data for Birth Weight and School Readiness will be available in 2012.

—————> 2010-11
 —————> 2009-10
 - - - - - Available in 2012

Breaking the Cycle: Ontario's Poverty Strategy			Launch of PRS	Year One	Year Two	Improvement
Indicator	2006-07	2007-08	2008-09	2009-10	2010-11	
Birth Weights*	80.0%			N/A		N/A
School Readiness (Early Development Instrument)*	71.5%			N/A		N/A
Educational Progress** (Combined Grade 3 and Grade 6)			67.0%	68.0%	69.0%	Progress
High School Graduation Rates			79.0%	81.0%		Progress
Low-Income Measure (LIM50)			15.2%	14.6%		Progress
Depth of Poverty (LIM40)			8.5%	7.3%		Progress
Standard of Living (Deprivation Index)***			12.5%	8.7%		Progress
Ontario Housing Measure (LIM40)			5.4%	5.0%		Progress

Notes: * Reported on a three-year cycle. The next cycle for reporting will be in 2012.

** Educational Progress (EQAO) scores for 2010-11 were released in Summer 2011. Other 2010-11 data will be available in 2012.

*** There was a change in surveys that carry the deprivation questions, which may have had an effect on the results. Caution should be exercised when interpreting the change between years.

Poverty Reduction Milestones

2007

- Premier McGuinty makes a commitment to introduce poverty reduction targets
- The Ontario Child Benefit (OCB) is introduced
- A Cabinet Committee on Poverty Reduction Strategy is established

2008

- Public consultations are held, and Ontario's Poverty Reduction Strategy is launched
- OCB payments reach up to \$600 per child annually, and the Student Nutrition Program is expanded – both increasing support to low-income families

2009

- A Results Table is established to guide and monitor implementation of the strategy
- The historic *Poverty Reduction Act, 2009* is passed
- The Ontario Budget 2009 announces major investments in poverty reduction:
 - The OCB phase-in schedule is accelerated by two years – maximum annual payments are increased to \$1,100 annually per child under 18
 - Maximum annual OCB payments will be further increased to \$1,310 per child by 2013
 - More than \$1.2 billion is invested in social and affordable housing
 - Rent bank funding is stabilized
- Summer job opportunities for at-risk youth are more than doubled as the Youth Opportunities Strategy is expanded
- After school programs are implemented across Ontario in priority neighbourhoods

2010

- The Ontario Budget 2010 includes investments in Employment Standards Officers, child care stabilization, career retraining programs and increased access to postsecondary education, and tax reforms including a personal income tax cut and tax credits related to the HST, property tax and energy costs
- Minimum wage increases to \$10.25
- Comprehensive tax reforms are introduced in July along with significant support for Ontarians, particularly those with low incomes
- Full-Day Kindergarten is rolled out in nearly 600 schools across the province for approximately 35,000 students
- Healthy Smiles Ontario rolls out and is anticipated to provide 130,000 children and youth with access to free dental care

- The Long-Term Affordable Housing Strategy is released
- A Commission for the Review of Social Assistance in Ontario is announced with the goal of improving employment outcomes, making social assistance easier to understand, improving fairness and removing barriers to *finding a pathway out of poverty*

2011

- Full-Day Kindergarten expands to nearly 800 schools and approximately 50,000 students
- The Partnership Project report is released, providing a concrete plan on ways the government can be more responsive, supportive and accessible to not-for-profit organizations
- Ontario's Comprehensive Mental Health and Addictions Strategy is launched
- \$28.5 million in funding to Pathways to Education, Canada is announced to support students from at-risk or economically disadvantaged communities
- The Social Assistance Review begins, with a final report targeted for June 2012
- An agreement is reached between the provincial and federal governments providing combined funding of \$481 million under the Investment in Affordable Housing for Ontario program that will create affordable housing and more than 5,000 jobs for Ontarians
- The timing of tax assistance is enhanced through the introduction of the Ontario Trillium Benefit for low- to moderate-income households, starting in 2012, which provides more consistent, monthly payments
- Key steps are taken to strengthen and support social innovation, including hosting a Social Innovation Summit and preparations to launch a pilot Social Venture Exchange (SVX) designed to attract investment in the sector
- One million dollars is provided to the Ontario Centres of Excellence (OCE) to design and launch a new program to bring social enterprises together with industry and academic partners to collaborate on health improvement, sustainability and the environment, poverty reduction and other issues
- The Integrated Accessibility Standards Regulation is launched under the Accessibility for Ontarians with Disabilities Act, and will help remove barriers to employment for persons with disabilities and help employers tap into a broader and more diverse workforce
- The Housing Services Act, 2011, the legislative framework for the Long-Term Affordable Housing Strategy, is passed
- Amendments to the Residential Tenancies Act, 2006 are introduced that will, if passed, cap rent increases at a maximum of 2.5 per cent, providing certainty and stability in housing costs for over one million tenant households

2. PROGRESS

BUILDING ON THE FOUNDATION

- *In 2011, we have continued to build on the initiatives launched during years one and two of the strategy.*
- *This report briefly summarizes the key steps we have taken during year three to help lift children and their families out of poverty and create opportunity for all Ontarians.*

Stronger, Healthier Kids and Families

In order to lift children and their families out of poverty, we have to ensure that all children have what they need for the best possible start in life. A child's early development is a strong predictor of success in school and in later life. The investments we make now in children and their families will be repaid many times over, across many generations, and contribute to a stronger economic and social future for all Ontarians.

Year three highlights

Full-Day Kindergarten: Many studies have shown that full-day learning programs for four- and five-year-olds have a positive impact on academic, social and emotional development. This gives children a better chance of finishing high school, going on to postsecondary education and getting a good job. In fact, research indicates that every dollar invested in early learning repays a seven-to-one return on investment. In 2011, Full-Day Kindergarten expanded to reach approximately 50,000 four- and five-year-olds in nearly 800 schools. This will further expand to 120,000 students in 2012–13, and the program will be fully implemented by September 2014, benefiting 250,000 students. Full-Day Kindergarten saves working parents up to \$6,500 a year per child on child care and allows for greater employment opportunities.

Best Start Child and Family Centres: Throughout the winter of 2010, the Minister of Children and Youth Services along with Early Learning Advisor Dr. Charles Pascal consulted with parents, service providers and experts on developing an integrated child and family services system through the Ontario Best Start initiative. The goal is to provide seamless, accessible family-centred programs and services in Ontario communities. Important next steps include learning from communities that have successfully integrated services through community action research, monitoring the seven speech and language services demonstration sites to evaluate different integrated service delivery models, and developing an outcomes index to monitor and measure outcomes effectively.

Mental Health and Addictions Strategy: A cross-government Comprehensive Mental Health and Addictions Strategy was introduced in June 2011. The strategy, focusing on children and youth in the first three years, will provide fast access to high-quality service, identify and intervene in kids' mental health issues early, and close critical service gaps for vulnerable kids and those in remote communities. These steps help put kids back on track, leading to better health outcomes, improved school attendance and achievement, enhanced participation in the workforce and cost savings to the health and social services systems. Ontario's investments will benefit more than 50,000 kids and their families each year, and will grow to \$93 million a year by 2013–14.

Pathways to Education: We know that kids who drop out of school are at higher risk of poor outcomes. In June 2011, the government announced new funding of \$28.5 million over three years for Pathways to Education Canada to expand educational success programs for students from low-income communities in Ottawa, Kitchener, Hamilton, Kingston and Toronto. By providing mentoring, tutoring and financial support to students in Grades 9 through 12, Pathways has already achieved significant results for students. For example, in Toronto's Regent Park, the high school graduation rate rose to 81 per cent in the first year of the program, as compared with 20 per cent the previous year, and dropout rates have decreased by 70 per cent.

Helping More Kids Find Permanent Homes:

The Building Families and Supporting Youth To Be Successful Act, 2011 removes barriers so that more kids in the care of children's aid societies can find permanent families. Children and youth in permanent homes are more likely to graduate and hold a job and less likely to rely on social services or be in conflict with the law. Older youth whose care ended at ages 16 or 17 are now able to return to their children's aid societies and receive financial and other supports until age 21. More than 10,000 children and youth in care also benefit from the Ontario Child Benefit Equivalent initiative.

"Improving mental health supports for children and youth represents our best chance to make a life-changing difference – now and for years to come."

Dr. Ian Manion,
Executive Director,
Ontario Centre of Excellence for Child and
Youth Mental Health

Additional 2011 milestones

High-quality early learning and child care:

Safe, high-quality and affordable child care is critically important to the well-being of low-income families.

Ontario's investments help parents access child care, allowing them to play an active role in the labour force while giving their kids the essential skills they need for success in school.

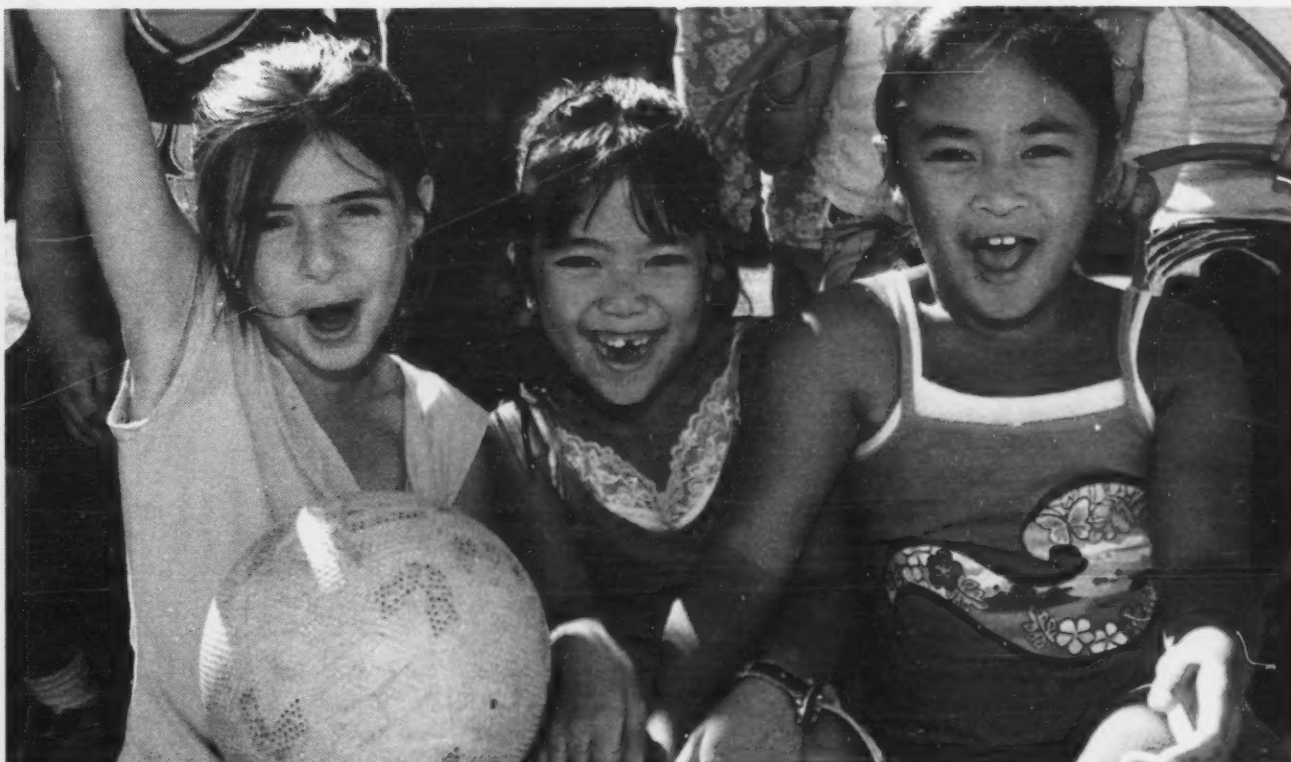
- The responsibility for child care is transferred to the Ministry of Education to provide a more integrated approach to the continuum of child care, early learning and education. Since 2003, Ontario's commitment to child care funding has increased from \$532.4 million to \$869 million, an increase of 63 per cent. Additionally, in 2010, Ontario committed to permanently fill the gap left by the federal government with an investment of \$63.5 million per year. Through Ontario's investments, nearly 43,000 more children are receiving fee subsidies every year. Licensed child care capacity has grown by nearly 80,000 spaces since 2003. We are committed to working with our partners to modernize Ontario's child care system.

- In the 2010–11 school year, 475,000 child visits are made to Parenting and Family Literacy Centres in elementary schools. The program, focusing on optimal child development and early literacy and numeracy skills, expands to 10 additional sites in fall 2011, bringing the total to 155 centres in 17 school boards.

Opportunities for educational achievement and success in later life:

In today's knowledge economy, high school graduation and further postsecondary education or training are more essential than ever for success in later life. Having an educated workforce is also a key driver of Ontario's economic prosperity. It is essential that we provide students and parents with strong and targeted supports to help ensure equitable access to educational opportunities and improved chances for graduation and educational achievement.

- To ensure equitable access to educational opportunities, a guideline for student fees is established to ensure that all students have a right to access the learning materials or activities required for a particular grade or course, regardless of their parents' financial situation.
- In 2011, 113 priority schools receive Parents Reaching Out (PRO) grants to improve and support parent engagement. Student achievement improves when parents play an active role in their children's education, and good schools become even better schools when parents are involved.
- Enrolment in career-oriented Specialist High Skills Major secondary school programs grows to 34,000 students participating in more than 1,300 programs in 630 schools, and is contributing to the continued increase in provincial graduation rates and preparing more students for success after high school.
- The After School Program reaches 18,000 children and youth at 327 sites across Ontario, offering access to safe, healthy and positive after-school activities that improve opportunities for children and youth to be more physically active, learn about healthy living, develop resiliency skills and lead healthier lives.



- The Focus on Youth program continues to provide high-quality summer program opportunities for more than 26,000 children and youth in four inner-city areas across Ontario. Youth from these communities benefit from learning, leadership, resiliency, self-confidence and employment opportunities.
- A Summer Literacy Pilot Program for elementary children, including many from low-income communities, is conducted in the summer to help inform how best to support students with limited literacy skills and lessen the effects of learning loss during the summer.
- Funding for the Access to Opportunities Strategy supports new programming to reduce the achievement gap and help under-represented groups succeed in postsecondary education.
- An evaluation of the Youth Challenge Fund shows positive change among participating at-risk youth. Funding for 17 long-term legacy initiatives will continue until 2013 so that targeted youth gain valuable training and work experience and contribute in positive ways to their communities.

Making a Difference

The Ontario Child Benefit

Introduced in 2007, the Ontario Child Benefit is a crucial foundation of our plan to reduce poverty and strengthen family security. It provides support for one million children in almost 530,000 low-income families every month. By providing the benefit to working parents and those on social assistance, it extends support to parents who transition into the workforce and provides incentives for Ontarians to pursue work opportunities.

Due in part to the introduction of the Ontario Child Benefit, we have seen the number of single-parent families on social assistance drop from 42 per cent in 2002 to 30 per cent today.

In July 2009, maximum payments increased from \$50 to almost \$92 per month for each child. That is an increase from a maximum of \$600 per year to up to \$1,100 per year for each child.

Our government will build on this record of supporting families by increasing the Ontario Child Benefit from \$1,100 to \$1,310 in 2013.

"All of these investments will have the effect of helping lift children out of poverty, which in turn will dramatically improve their chances of living longer, and in better health."

2010 Annual Report of the
Chief Medical Officer of Health of Ontario

- Crown Ward Education Championship Teams, which help those in the care of children's aid societies succeed in high school and pursue postsecondary education and training, achieve provincewide coverage in 2011.
- The Aboriginal Postsecondary Education and Training Policy Framework supports Aboriginal learners so they can access, participate in and complete postsecondary education and training opportunities.
- More than 4,300 job placements are made available during the summer of 2011 to youth in 33 Ontario communities through the Summer Jobs for Youth Program and Youth in Policing initiative, which provide youth with positive work experiences and essential life skills to prepare them for success in later life.



Resources for families so they can support their children's well-being:

The care that children receive at home, along with the influence the family has on child development and educational success, are key determinants of their children's future. Supports like the Ontario Child Benefit, a cornerstone of the Poverty Reduction Strategy, enable low-income families to support their children and help them reach their highest potential, while easing the transition from social assistance to employment. These investments are essential if we are to close the achievement gap and break the intergenerational cycle of poverty.

- The Eye See Eye Learn program is providing free glasses for Junior Kindergarten students with vision problems in 14 pilot school boards, as of September 2011, so that these children can benefit fully from their educational experience.
- Healthy Smiles Ontario provides dental care for children and youth from low-income families provincewide through 36 Public Health Units. This will benefit 130,000 children and youth through improved dental health and parents will save over \$400 annually in dental costs.
- The Children In Need Of Treatment (CINOT) program provides emergency dental care to 43,484 children and youth in 2010-11 to improve their dental health and overall wellness.

"My son has always thought just getting by was okay; that getting 50 per cent was okay. He never had any aspirations for furthering his education. Though we always encouraged him and tried to build his self-confidence, it was not until he was in the Specialist High Skills Major program that changes happened. The program has given him something that other school courses could not. It gave him a realization that he could excel at something and love doing it!"

Ursula Russo, Parent of a
Specialist High Skills Major Student

- The Student Nutrition Program provides over 660,000 students with nutritious breakfasts, snacks and lunches in 2010–11 to contribute to their overall health and readiness to learn and succeed in school.
- The Aboriginal Fetal Alcohol Spectrum Disorder and Child Nutrition Program serves approximately 26,000 clients, with a focus on supporting student success through healthy nutrition, assisting women in having healthy pregnancies and supporting Aboriginal families in raising healthy children.

Making a Difference

Student Nutrition Program

"The healthy breakfast provided by Ministry of Children and Youth Services funding through the Student Nutrition Program has had a measurable difference in student success, especially in our lowest income communities where as many as 68 per cent of children and youth come to school without eating.

Research conducted by the Toronto District School Board in schools in the Jane and Finch community over the past three years has shown that children that eat breakfast regularly perform 9 to 16 per cent higher on Education Quality and Accountability Office (EQAO) tests in reading, writing and math.

In high school, students that eat breakfast regularly are on track for high school graduation, with remarkable differences seen in the standardized Grade 9 math test. Students that eat breakfast regularly are 11 per cent more likely to achieve the provincial standard on the test than those that do not.

At both levels students reported their health had improved since the breakfast program began and this is demonstrated in reduced absenteeism rates. Just as importantly, student suspension rates decreased by 50 per cent in the two years following the introduction of the breakfast program".

*Catherine Parsonage, Executive Director
Toronto Foundation for Student Success*

Making a Difference

Healthy Smiles Ontario

Our government's Healthy Smiles Ontario is helping families by providing kids with free dental care in communities across the province. In October 2010, an Ontario mom heard about the program for low-income children with no dental insurance. She contacted the public health unit and promptly enrolled her children.

The kids had dental examinations, x-rays and teeth cleaning. Cavities were filled, and pit and fissure sealants were applied to protect their teeth. Now cavity free, the children were also shown how to brush and floss correctly to improve oral health – habits that will help them throughout their lives.

Before Healthy Smiles Ontario, she could not afford to get proper dental treatment for her kids. Mom was grateful for the program, which helped her family when they needed this important support.



Opportunity for all

In order to break the intergenerational cycle of poverty, we are continuing our work to address the needs of low-income Ontarians to help ensure that families have a clear path out of poverty. Our focus has been on removing barriers to success through a number of connected strategies: ensuring that basic needs such as safe and affordable housing are being met, providing access to jobs and job training, ensuring that wages and working conditions are fair and equitable, and providing tax relief and effective social assistance supports to those in greatest need. By focusing our investments strategically in the short term, we are helping more Ontarians in the long term by reducing their reliance on social services, and getting them into the workforce to build a stronger economy.



Year three highlights

Social Assistance Review: Ontario is undertaking the first major review of social assistance in over 20 years. Ensuring that Ontario's social assistance programs are effective, coordinated and easy to understand will help low-income families support the success of their children, while helping parents and other adults find a path to employment so they can be self-sufficient and contribute to Ontario's economy. A sustainable system is also important so that we can ensure that those individuals who are unable to work receive reliable supports.

A Commission for the Review of Social Assistance in Ontario is being led by two Commissioners, the Honourable Frances Lankin, P.C., United Way Toronto's past president and CEO, and Dr. Munir Sheikh, Canada's former chief statistician. The work of the Commission will help Ontario develop an action plan that will make social assistance:

- more effective at getting people into jobs
- easier to understand
- work better with other federal, provincial and municipal income security programs, such as Employment Insurance
- financially sustainable.

In June 2011, the Commission released its public discussion paper and workbook. The Commission will integrate input from community conversations, stakeholder meetings and numerous submissions with its research findings into a second paper to be released this winter. A final report will be submitted to the government in June 2012.

"In a rapidly changing economy, people need the right supports to get through difficult times. The social assistance system we have now is not doing the job we want. The broad scope of this review will get us where we need to go to really extend opportunity to everyone."

Gail Nyberg, Executive Director,
Daily Bread Food Bank

Affordable Housing: Safe and affordable housing is fundamental for Ontarians striving to build a strong future for their families and their communities. Through our Long-

Term Affordable Housing Strategy, Ontario is working to improve access to adequate, suitable and affordable housing, so that families have a solid foundation on which to secure employment, raise their children and build strong communities. In November 2011, the provincial and federal governments announced a combined investment of \$481 million through a new affordable housing agreement. The Investment in Affordable Housing for Ontario (IAH) program will build 1,000 new affordable housing units, renovate over 6,000 units and create more than 5,000 jobs. The IAH program builds on the government's record of providing more funding for affordable housing than any previous government – \$2.5 billion for building and repairing more than 270,000 units and providing 35,000 rent supplements.

Support for Renters: Low-income families cannot support the success of their children or fulfil their working responsibilities in the absence of stable housing. In December 2011, the government introduced amendments to the *Residential Tenancies Act, 2006*, that, if passed, would ensure that the Rent Increase Guideline will never be higher than 2.5 per cent. For tenants this means that rents are more affordable and stable. Funding for the Provincial Rent Bank program was stabilized in 2009 at \$5 million per year and reaches a total of \$39.1 million in program funding as of 2011 to help prevent the eviction of tenants who have experienced short-term rent arrears.

Postsecondary Opportunities: To keep postsecondary education within the reach of all Ontarians and build a strong educated workforce, starting in 2012, we will reduce the average tuition by 30 per cent for full-time undergraduate students enrolled in Ontario's public colleges and universities whose families earn less than \$160,000 per year. The new grant will save families \$1,600 per student in a university or college degree program and \$730 per student in a college diploma or certificate program each year and will be available for up to four years of a full-time undergraduate program. In 2010–11, about 200,000 more students, including 60,000 more apprentices, were learning than in 2002–03. College and university enrolment has increased by 35 per cent since 2003.

Accessibility for Ontarians with Disabilities Act: People with disabilities are among the lowest income demographics in Ontario. This represents considerable

loss of human potential for Ontario's economy. Four out of five accessibility standards have been implemented in the province under the *Accessibility for Ontarians with Disabilities Act*, which aims to achieve an accessible Ontario by 2025. These standards will break down barriers and allow persons with disabilities to more fully participate in employment and community life. For example, accessible transportation will allow independent travel; accessible employment recruitment

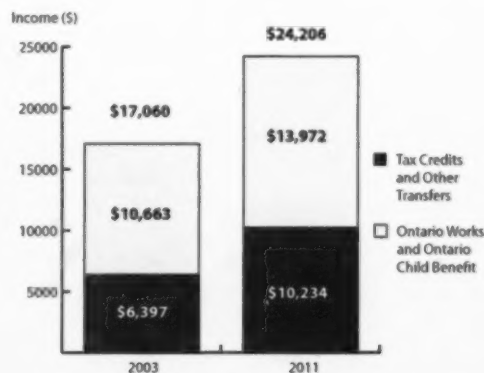
Making a Difference

Supporting Families on Social Assistance:

In 2003, a single-parent family receiving social assistance with two children aged five and seven would have received an annualized after-tax income of \$17,060. As a result of new investments, this same family would now receive an after-tax income of \$24,206 in 2011 – an increase of \$7,146, or 42 per cent.

Supporting Families: Ontario Works and Child Benefits

Annualized income 2003 and 2011 for single parent with two children (ages 5 and 7)



Notes:

- 1) Tax credits and other transfers include the Canada Child Tax Benefit, National Child Benefit Supplement, Universal Child Care Benefit, Goods and Services Tax Credit, Ontario property and sales tax credits, Ontario Energy and Property Tax Credit, Ontario Sales Tax Credit, and Ontario Sales Tax Transition Benefit.
- 2) Incomes are annualized as at the end of the calendar year shown.
- 3) The family's annualized income increased by \$7,146 from 2003 to 2011.
- 4) Ontario Child Benefit regular payments began in 2008, consolidating child benefits from Ontario Works.

Source: Ontario Ministry of Finance.

practices will enable access to jobs; and accessible information will allow more independence in daily activities. There has been a 35 per cent increase in the number of students with disabilities accessing postsecondary education since 2003. As well, a report by the Martin Prosperity Institute found that accessibility standards may help increase employment income by \$618 million over the next five years.

Support for newcomers: We know that helping our newcomers get settled and find jobs is not only crucial for their own well-being, but is an economic imperative for Ontario. We have increased our support to the Newcomer Settlement Program which helps over 80,000 newcomers each year get settled and connected with community services, housing, language, employment and job training. To ensure that newcomers have the language skills they need for the workplace, we are providing language training to 120,000 newcomers this year alone through school boards across the province. Additionally, our Bridge Training Programs help newcomers gain the skills they need to find jobs in their field instead of in low-wage jobs that do not match their international training and expertise. Since 2003, Ontario has invested more than \$183 million in over 240 bridge training programs to help more than 50,000 skilled newcomers get licensed and find jobs in their field of expertise.



Additional 2011 milestones

Tax relief and reform:

Ontario's Tax Plan for Jobs and Growth, announced in 2009, provides the province with a strong foundation to grow our economy and create jobs. Achieving our poverty reduction goals requires that we reduce the economic burden on low-income Ontarians so that they can provide for their families with more money in their pockets and successfully participate in the workforce. Tax relief measures for people and businesses are helping to make Ontario's tax system more competitive, attract investment and create jobs.

- Ninety-three per cent of Ontarians received a permanent tax cut in 2010, averaging \$355 per family, and 90,000 Ontarians were removed from the tax rolls altogether.
- Permanent refundable credits provide a total of \$2.4 billion in annual assistance to millions of low- to moderate-income Ontarians. The government announced in its 2011 budget that low- to moderate-income families and individuals will be better served by a more streamlined and consistent tax credit that combines the payments of three quarterly tax credits into a single monthly payment. The new Ontario Trillium Benefit, which takes effect in July 2012, combines the payments of:
 - Ontario Sales Tax Credit — up to \$265 annually in sales tax relief for each adult and child.
 - Ontario Energy and Property Tax Credit — individuals and families can get up to \$917 annually in relief for the sales tax on energy and property taxes. Seniors can get up to \$1,044 each year.
 - Northern Ontario Energy Credit — northern residents can get up to \$132 a year for an individual or up to \$204 annually for a family to help with the higher energy costs.
- The Ontario Senior Homeowners' Property Tax Grant, introduced in 2009, provides grants of up to \$500 a year to help low- to moderate-income senior homeowners pay their property taxes. Over five years, the grant is expected to provide about \$1 billion in property tax relief to more than 600,000 seniors.

- Children's Activity Tax Credit — for 2011, parents who have children enrolled in eligible extracurricular activities can get up to \$51 for each child under age 16. They can receive up to \$102 for each child with a disability under age 18. This credit is expected to provide about \$75 million in assistance to Ontario families each year.
- The Ontario Clean Energy Benefit (OCEB) provides over four million Ontarians with a 10 per cent reduction on their hydro bills every month for the next five years. The OCEB took effect on January 1, 2011.

- The new online Ontario Benefits Directory provides a simple, easy and convenient point of access to many provincial benefit and tax credit programs. Please visit www.Ontario.ca/BenefitsDirectory for more information.

Access to jobs and a path out of unemployment:

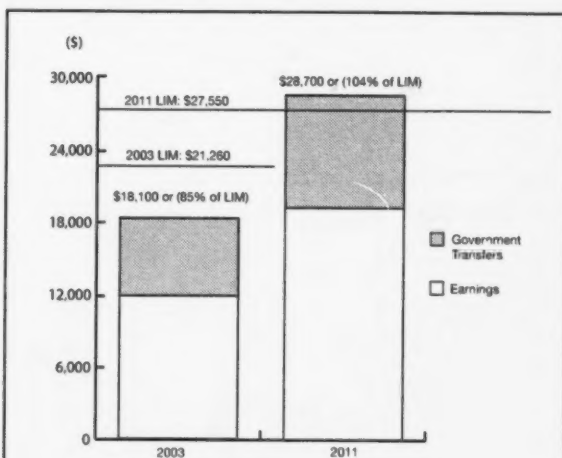
Through targeted investments, the Poverty Reduction Strategy is helping individuals affected by the economic downturn return to the workforce so they can provide for their families. Our investments are breaking down financial barriers for Ontarians so they can further their education or training and help build a stronger economy.

- Ontario Student Assistance Program (OSAP) enhancements announced in 2010 continue to reduce financial barriers to postsecondary education, making a university or college education more accessible. The number of students qualifying for OSAP has increased 66 per cent since 2003.
- A new Life After High School pilot program for secondary school students is launched to remove barriers and increase the number of students who pursue postsecondary education and training.
- More than 51,000 Ontarians have benefited from the Second Career program from 2008 to 2011, which helps laid-off workers retraining for a new career in high demand sectors in Ontario.
- The Ontario Bridging Participant Assistance Program helps more than 700 participants cover education costs such as tuition, books and equipment so that new immigrants to Ontario with low incomes can access the training they need to contribute fully to the workforce.
- More than 287 women participate in Women in Skilled Trades and Information Technology Training Programs to help them acquire the training and skills they need to secure high-demand jobs with better pay, creating a better future for themselves and their families.
- 427 women participate in the Employment Training Program for Abused and At-Risk Women, improving their chances for successful employment and increasing their economic independence.

Making a Difference

Income for a Working Single Mother and Child: 2003 – 2011

As a result of investments and the government's Tax Plan for Jobs and Growth, a single mother with one child, working full time at minimum wage, and accessing all available benefits, is now above the Low Income Measure. This single mother would have an annual after-tax income of \$28,700 (or 104 per cent of the Low Income Measure) as compared with an after-tax income of \$18,100 in 2003, or 85 per cent of the Low Income Measure.



Notes:

- 1) Government transfers include federal and provincial child benefits and tax credits. It also includes the Ontario Sales Tax Transition Benefit of \$335 in 2011.
- 2) The 2011 LIM is a forecast.

Source: Ontario Ministry of Finance

- Launched in 2010, Employment Ontario's Employment Service assists 73,900 clients in its first year so that more Ontarians can find employment.

Making a Difference

Bridge Training Programs

After being laid off from the "survival job" he had found after arriving in Canada, Ziad Dorkham decided to join the medical laboratory technology bridge training program at Mohawk College.

"Certification is a must in order to work as a medical laboratory technologist so I joined the Mohawk College Bridge Training Program which helped me to become a certified medical laboratory technologist. They were a great help in achieving my goal. The program was of great benefit. They helped me get the new techniques and procedures required for a medical lab technologist in Canada. And they follow up with their graduates and help them in the interview process."

After the program, Ziad found a job in his field at a health care product manufacturer in Mississauga.

Fair minimum wages and working conditions:

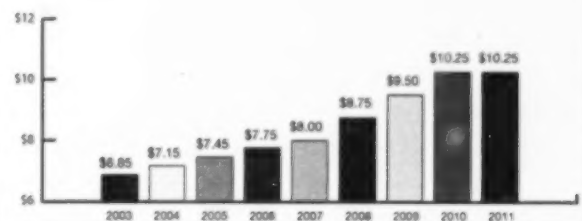
Wages and working conditions are critical employment factors for low-income Ontarians who depend on a fair minimum wage and who are among the most vulnerable to unfair or unsafe working conditions, as well as unfair recruitment practices. Moving low-income Ontarians from social assistance to employment depends on our ability to ensure that all workers – including temporary workers and foreign nationals – enjoy the benefits of fair employment standards, and that Ontario's workplaces observe and uphold those standards for all employees.

- In 2011, Ontario's minimum wage is the highest among all the provinces in Canada. The minimum wage was \$6.85 per hour in 2003 and was increased to \$10.25 per hour in 2010, representing an increase of 50 per cent. Going forward, our government will be taking advice on the minimum wage from a committee representing both business and workers. Now that

we have made Ontario's minimum wage the highest of the Canadian provinces, we think it is important to consider the best advice from business, labour leaders and workers on future decisions.

- Over 27,000 claims are resolved in 2010–11 by Employment Standards Officers – cases are initiated sooner, helping to eliminate the backlog of claims. Not only has this given Ontario workers the money that is owed them in a timely fashion, but it also eliminates the uncertainty and anxiety of waiting for months before these issues are resolved.
- Ontario commits to performing at least 1,800 workplace inspections (including temporary help agencies) in 2011–12, to ensure that vulnerable workers enjoy the same rights as other employees. Since 2004 we have recovered more than \$80 million for Ontario workers through our inspections, claims and collections. We have also added 80 new inspectors since 2009.
- Over 40 inspections are completed under the *Employment Protection for Foreign Nationals Act*, to ensure that foreign nationals employed as live-in caregivers are properly protected under Ontario law.
- In summer 2011, the Ministry of Labour launched a pilot program that resulted in an increase in proactive inspections in sectors where there are vulnerable workers.

Ontario General Minimum Wage Increases Since 2003



Source: Ontario Ministry of Labour

"The Long-Term Affordable Housing Strategy articulates the Province's recognition of the importance of strong partnership and collaboration with municipalities in the area of housing. We look forward to continuing to work with the Province on all the elements that will make this strategy – including the groundbreaking move to begin to consolidate housing and homelessness programs to better serve Ontarians – a success."

David Rennie,
Immediate Past President,
Ontario Municipal Social Services Association

Stronger Foundations in Our Communities

We recognize that children, families and individuals living in poverty are most effectively served by strong communities, unified community-based services, and a vibrant not-for-profit sector operating at the community level. This ensures that services are delivered close to home and in a way that is appropriate to the specific local needs of Ontarians in communities across the province.

Year three highlights

Partnership Project: The Partnership Project is the government's strategy to strengthen its partnership with the not-for-profit sector and help not-for-profit organizations focus their resources on serving Ontarians. Since the strategy's release in March 2011, the government has moved to strengthen the sector, provide a central contact point within government, reduce the administrative burden, reinvigorate Ontario's volunteering tradition and invest in social innovation. Ontario's not-for-profit organizations provide important services to families and help drive our economy, contributing close to \$50 billion annually and over one million jobs across the province. A Partnership Grants Program was launched to

help strengthen the collaborative capacity of the not-for-profit sector, and grants have been awarded to networks and partnerships that will help not-for-profit organizations provide services to our communities. *The Next 10: The Future of Volunteerism in Ontario* conference was held in December 2011 to devise new ways to support volunteerism, as well as to mark the tenth anniversary of the International Year of Volunteers.

Social Venture Exchange (SVX): The province provided support for a SiG@MaRS feasibility study and pilot project for the new social venture exchange or SVX. The SVX is a regulated financial market designed to assess and attract sustainable financing or investment capital for firms with a social mission, including enterprising not-for-profit organizations. The launch of the SVX is scheduled to take place in early 2012, and will help strengthen Ontario's social enterprise sector. The SVX has the potential to channel new financial capital into initiatives with social and environmental benefits, further helping to achieve the aims of the Poverty Reduction Strategy.

Social Innovation Summit: The social enterprise sector has significant potential to help the province tackle key issues, including poverty reduction. Sponsored by the Ontario government in partnership with SiG@MaRS, the Social Innovation Summit was held in May 2011, and brought together over 200 businesses, government officials, academics and community leaders to identify better ways to unleash the potential of the social innovation sector. After the summit, the Ontario Social Innovation Wiki was launched to engage social innovation experts and practitioners in creating a social innovation policy framework. As a result, a social innovation policy paper was developed in July 2011 to support further discussions about social innovation solutions for Ontario.

Additional 2011 milestones

Strong communities and community-based services:

Services are delivered most effectively when they are tailored to community needs and offered close to home. By supporting community-based organizations, we are helping to ensure that low-income families get the help they need where and when they need it and in a way that will most directly support our key priority of raising children out of poverty.

Making a Difference

Community Use of Schools – Priority Schools

High quality, free after-school programming offered at the Near North District School Board through collaboration with community partners has contributed to improved student achievement and engagement. Participating children, youth and families have had the opportunity to build strong relationships with caring adults who deliver these programs. This in turn has resulted in greater participation in other school and community programs.

Near North District School Board

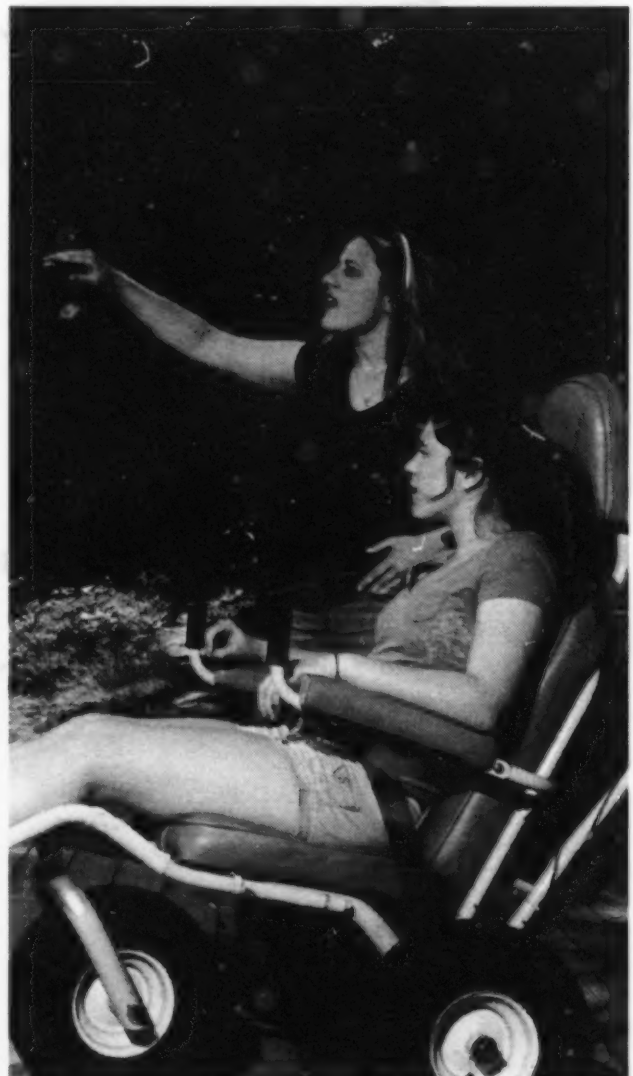
- The Community Use of Schools – Priority Schools initiative, expands in 2011 to enable not-for-profit groups to offer more affordable programming in 220 schools in high-need communities.
- School boards begin implementing Facility Partnerships policies based on the guideline released in 2010 to support collaborative school and community partnerships.
- In July 2011, Infrastructure Ontario's Loan Program expands to include community health and social services hubs, Aboriginal Health Access Centres and not-for-profit sports and recreation organizations in Ontario.
- Seven Community Health Centres receive ministry approval to expand their facilities, which will help reduce barriers to health and health services created by poverty, language, geography and culture.

A not-for-profit sector that is valued and supported:

The not-for-profit sector has always played, and continues to play, a vital role in helping our most vulnerable population find a path out of poverty. We are taking significant steps to remove barriers to success for social enterprises and to build partnerships that will support and enhance their important work.

- Preparation gets underway for the *Not-For-Profit Corporations Act, 2010* which will come into force in 2012 and benefit a wide variety of organizations including those that provide services and resources for the needy, such as food, housing and employment assistance.

- Funding for the Ontario Centres of Excellence (OCE) is announced to support 12 to 15 collaborative projects involving industry, not-for-profit organizations and academia in areas such as poverty reduction, health improvement and environmental sustainability. The OCE drives the commercialization of leading-edge research across strategic market sectors to build the economy of tomorrow and secure Ontario's and Canada's global competitiveness.
- An OCE Social Innovation Student Competition is announced to generate innovative ideas to solve social and environmental problems and potentially result in the launching of new social enterprises.



3. MEASURES

INDICATORS AND OUTCOMES

An important part of our Poverty Reduction Strategy is setting targets and reporting on our progress. We recognize that if you want to improve something, it must first be measured. Measuring progress will help us understand where progress is being made and inform decision-making.

About the indicators

Poverty reduction is a complex undertaking that requires a broad, multi-faceted approach over time. Measuring improvement similarly requires a comprehensive set of indicators against which to measure progress.

A set of eight indicators was selected during the strategy development process which, when taken together, provide a reliable measure of the Poverty Reduction Strategy's impact. These eight indicators cover key aspects such as

income levels, education, health, housing and standard of living. Our eight indicators are:

1. School Readiness
2. High School Graduation Rates
3. Educational Progress
4. Birth Weights
5. Low Income Measure (LIM)
6. Depth of Poverty
7. Standard of Living
8. Ontario Housing Measure

Statistics Canada data for our income-based indicators lags by 18 months. That means this progress report is the first time we are able to report on the impact of our investments on our Low Income Measure, Depth of Poverty, Standard of Living and Ontario Housing Measure indicators – and this is only for the year 2009, the first year of the Poverty Reduction Strategy.

Indicator 1: School Readiness

Children have a better chance to succeed as students when they come to school ready to learn. They need to be healthy. They need social and emotional competencies. They need language, thinking and communications skills, and the general knowledge to participate in and benefit from their educational experiences. This indicator is based on the Early Development Instrument, a population-based measure of children's readiness to learn at school, taken from a representative sample of children from across the province.

Administered in Senior Kindergarten, it measures children's readiness to learn at school in five areas: physical health and well-being, social competence, emotional maturity, language and cognitive development,

and general knowledge and communication skills.

As reported in previous annual progress reports, between 2007–09, 71.5 per cent of children surveyed showed no vulnerabilities. This means that most children in Ontario are doing well, but there are some who are vulnerable to poorer outcomes and who may need additional supports to learn at school.

The data supports the view that children who attended Junior Kindergarten are more ready for school than children who did not attend Junior Kindergarten. The data is gathered from one-third of Ontario school boards each year. As a result, it takes three years to cover the province. The 2007–09 data represents our baseline; the next cycle for reporting will be 2010–2012.

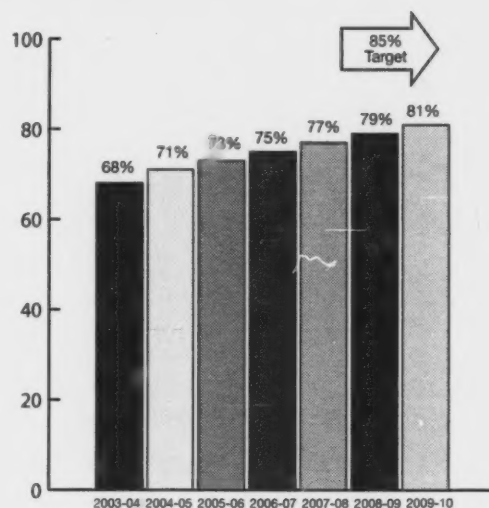
Indicator 2: High School Graduation Rates

In our knowledge- and skills-based economy, graduating from high school is more important than ever before. Young people with a secondary school diploma have improved chances for a better job and more earning power throughout their lives.

This indicator represents the percentage of high school students who have earned an Ontario Secondary School Diploma in each graduating year. Ontario's graduation rate measures the percentage of a cohort of students who graduate within five years of having started Grade 9.

In the 2009–10 school year, the high school graduation rate in Ontario increased to 81 per cent from 79 per cent in the 2008–09 school year. The graduation rate has increased 13 percentage points since 2003–04. This means that since 2003–04, approximately 72,000 more students graduated who would not have otherwise, had the rates remained at the 2003–04 level.

Graduation Rates in Ontario



Source: Ontario Ministry of Education.

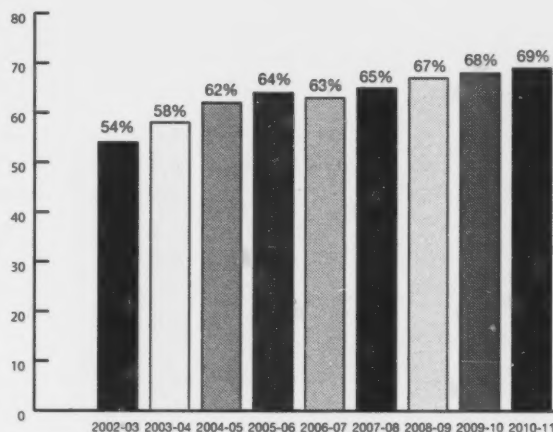
Indicator 3: Educational Progress

Provincewide assessment is one important measure of children's progress in literacy and numeracy, and enables us to pinpoint areas for improvement and to target support to where it is needed most. This measure provides critically important information on planning for student learning and achievement.

This indicator is based on the Education Quality and Accountability Office (EQAO) provincial assessment of student achievement as measured against the learning expectations in Ontario's curriculum. It reflects the overall results on the Grades 3 and 6 reading, writing and math assessments.

In 2010–11, 69 per cent of Grade 3 and Grade 6 students are meeting or exceeding the provincial standard on EQAO assessments. This is up from our 2008–09 baseline of 67 per cent and represents a 15 percentage point increase since 2002–03. This indicates more students have the reading, writing and math skills that will lead to success in high school, postsecondary education and the workforce.

Percentage of Grade 3 and 6 Students Achieving Provincial Standard of Level 3 or Higher in Reading, Writing and Math (English and French-Language Schools)



Source: Ontario Ministry of Education based on EQAO data.

For the 2010–11 assessment year, 65 per cent of the Grade 3 students in reading, 74 per cent in writing, and 69 per cent in math were at or above the provincial standard on EQAO assessments. It should be noted that the provincial standard is a Level 3 or approximately a “B” grade.

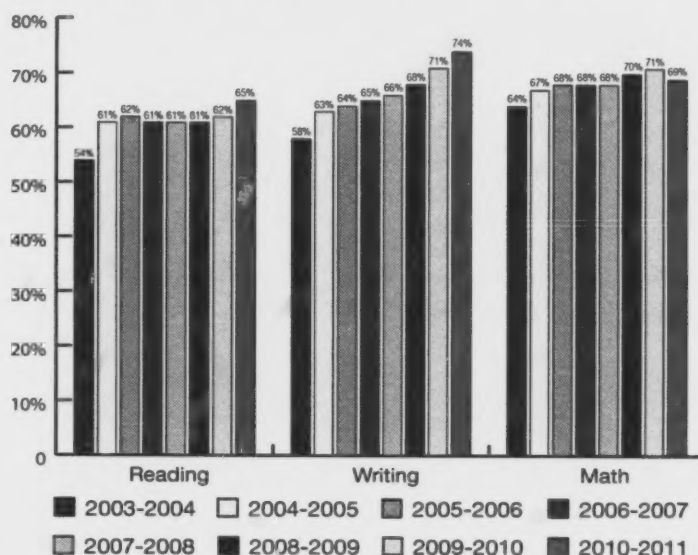
For the 2010–11 assessment year, 74 per cent of the Grade 6 students in reading, 73 per cent in writing and 59 per cent in math were at or above the provincial standard on EQAO assessments.

Compared with the results of eight years ago, over 52,500 additional Grade 3 and Grade 6 students are meeting or exceeding the provincial standard in reading, writing and math.

Since 2003, the government has reduced class sizes in the primary grades, increased teacher professional learning and raised the graduation rate. Across Ontario, 400 new, publicly funded schools have been built and another 170 are planned or underway. As of September 2011, nearly 800 schools are offering the Full-Day Kindergarten Program, benefiting 50,000 kids. The program will be fully implemented in 2014, benefiting approximately 250,000 children.

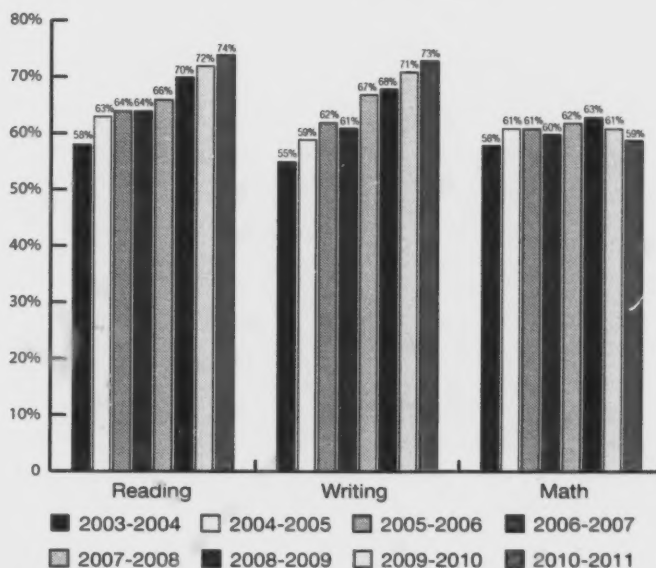
Students who achieve early success in school are more likely to perform well later in school and go on to postsecondary education. This ensures that Ontario will have the skilled workforce to compete in the global economy.

Percentage of Grade 3 Students Achieving Provincial Standard of Level 3 or Higher in Reading, Writing and Math (English and French-Language Schools)



Source: Ontario Ministry of Education based on EQAO data.

Percentage of Grade 6 Students Achieving Provincial Standard of Level 3 or Higher in Reading, Writing and Math (English and French-Language Schools)



Source: Ontario Ministry of Education based on EQAO data.

Indicator 4: Birth Weights

Healthy children have more opportunity to succeed in virtually every aspect of life from early childhood to adulthood.

This indicator represents the percentage of newborns born at a healthy weight for their gestational age. Research indicates that babies born to low-income

families more often have below normal birth weights, which can put them at a higher risk for poor future health outcomes. In 2007–09, 80 per cent of Ontario-born babies were born at a healthy weight³.

This represents our baseline for future reporting and will be updated in 2012.

Indicator 5: Low Income Measure

The Poverty Reduction Strategy uses Statistics Canada's Low Income Measure (LIM50) fixed to a base year of 2008 to assess progress in reducing child poverty. The LIM50 is defined as the percentage of children under 18 living in a household with an income less than 50 per cent of the median adjusted household income. For 2009, the LIM50 lines are determined by applying the Canada Consumer Price Index inflation rate to the base year LIMs. The lines for 2008 and 2009 are presented below. For 2009, the LIM50 line for a single parent with one child was \$26,348 and for a two-parent, two-child household was \$37,262.

Fixed Low Income Measure Lines (LIM50)

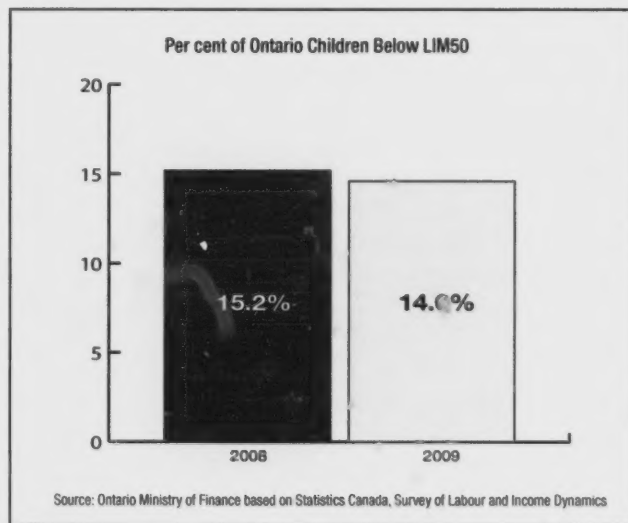
Household Size	2008	2009
1 person	\$18,582	\$18,631
2 persons	\$26,279	\$26,348
3 persons	\$32,185	\$32,270
4 persons	\$37,164	\$37,262
5 persons	\$41,551	\$41,660
6 persons	\$45,516	\$45,636

In 2009, 14.6 per cent of all children in Ontario were below LIM50, down from 15.2 per cent in 2008. The number of children below the LIM50 was 392,000 in 2009, down 20,000 from 412,000 in 2008⁴.

The goal of the Poverty Reduction Strategy is to reduce the number of children living in poverty by 25 per cent over five years. In 2009, a recession year and the first year of implementation, the Poverty Reduction Strategy

lifted 20,000 children out of poverty and moved us closer toward our goal.

Government transfers have an immediate and direct impact on poverty. The two programs having the largest impact on poverty in 2009 were the Ontario Child Benefit and Employment Insurance benefits. The average amount of provincial children's benefits (which includes the Ontario Child Benefit and the Ontario Child Care Supplement) going to the poorest fifth of Ontario households with children increased by \$800 from 2008 to 2009. This was due to the introduction of monthly Ontario Child Benefit payments in 2008 and its accelerated phase-in in 2009. Average employment insurance benefits to the poorest fifth of Ontario households with children also increased by about \$800 in 2009.



³ Source: BORN ONTARIO (Niday Perinatal Database)

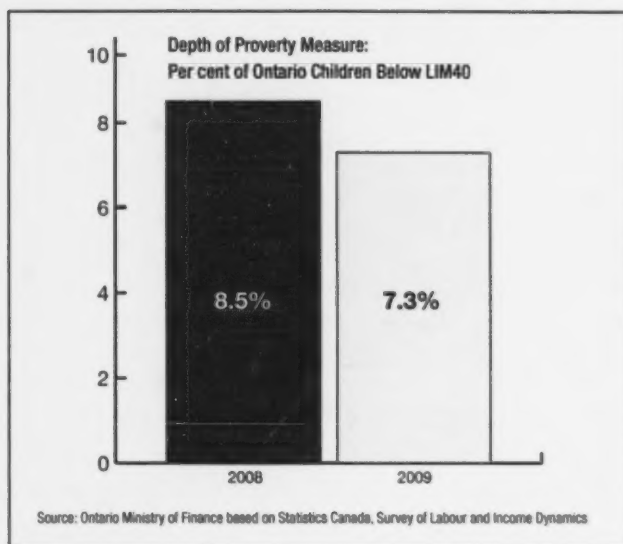
⁴ Under Statistics Canada's methodology for calculating the LIM, the number of kids in poverty would have been 393,000 versus 392,000. The result would be 19,000 kids lifted out of poverty versus 20,000 kids under Ontario's Poverty Reduction Strategy LIM methodology.

Indicator 6: Depth of Poverty

Some families living in deep poverty face severe

- challenges breaking the cycle of poverty and building better futures for their children. The depth of poverty indicator tells us how Ontario's Poverty Reduction Strategy is improving the well-being of those living in deep poverty in our society.

This indicator is based on the Low Income Measure (LIM40) fixed to a base year of 2008. This represents the percentage of children under 18 living in a household with an income less than 40 per cent of the median adjusted household income in 2008. For 2009, the LIM40 thresholds are determined by applying the Consumer Price Index inflation rate to the 2008 lines. Based on this measure, 196,000 children or 7.3 per cent of all children in Ontario were in deep poverty in 2009, down from 230,000 or 8.5 per cent in 2008. From 2008 to 2009, 34,000 children were lifted out of deep poverty.



Indicator 7: Standard of Living

Income-based indicators are one set of tools used to assess the well-being of Ontario families and measure the number of poor children in the province. They are indirect measures of poverty based on the assumption that families that do not have sufficient income cannot afford to purchase some basic necessities. This assumption may not always be a valid one because there are in-kind services such as rent and child care subsidies that help raise the standard of living of some low-income families higher than is suggested by their incomes. On the other hand, the high cost of living in certain areas of the province, or special circumstances that some families face such as disabilities requiring extra expenses, may mean that an income above the poverty line is not enough to keep the family out of poverty.

The Ontario Deprivation Index is a measure of poverty that avoids these problems by asking families directly whether they can afford certain necessities that most Ontario families can afford and take for granted. It reflects the real life experiences of low-income Ontarians and captures dimensions of poverty that income alone does not – social exclusion, for example.

This indicator is a measure developed for the Poverty Reduction Strategy by the Caledon Institute and the Daily Bread Food Bank, in partnership with Statistics Canada and the Ontario government. The Ontario Deprivation Index measure identifies a family as being deprived if it cannot afford two or more items out of a list of 10⁵. For example, the index includes questions such as, "Are you able to get dental care if needed?" and "Do you eat fresh fruit and vegetables every day?"

In 2009, 8.7 per cent of children were in Ontario households that lacked two or more items. This is down substantially from 12.5 per cent in 2008. The indicator is moving in the same direction as the two income based LIM measures, suggesting that the Poverty Reduction Strategy is having a real impact on the lives of children from low-income circumstances in Ontario.

It should be noted that the deprivation questions were moved from a Labour Force Survey supplement for the 2008 data to the Survey of Labour and Income Dynamics for 2009, however the questions remained the same⁶.

⁶ For more information, please see "Developing a Deprivation Index: The Research Process," available at www.dailybread.ca and www.caledoninst.org.

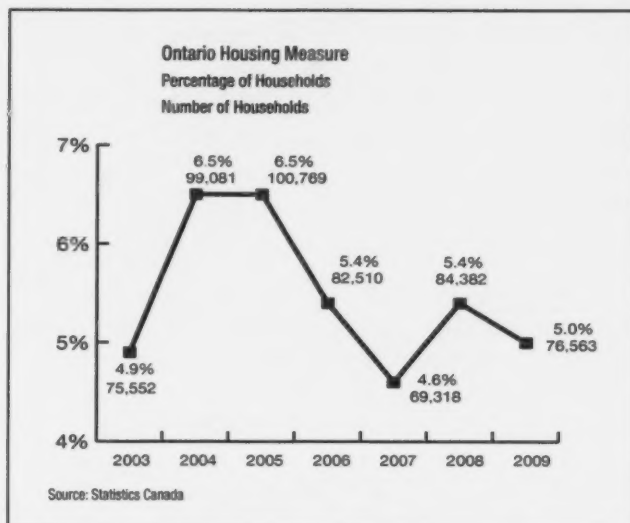
⁶ For the first year (2008), the deprivation questions were a supplement to Statistics Canada's Labour Force Survey (LFS). The LFS supplement had a number of limitations as a vehicle for the deprivation questions; in particular income information is based on survey respondent's retrospective estimate rather than tax filer information. The questions are now part of the main income survey, Survey of Labour and Income Dynamics, or SLID. The SLID provides reliable income results, before and after tax and by source and much richer socio-demographic detail. The SLID is also a longitudinal survey so there is a potential to better understand the dynamics of deprivation and poverty.

Indicator 8: Ontario Housing Measure

Children have better chances to thrive and grow — emotionally, mentally and academically — when they live in safe, stable housing. This measure tells us how many low-income households with children have housing costs that are disproportionately high relative to household income, which can affect children's ability to thrive and grow even in a supportive environment.

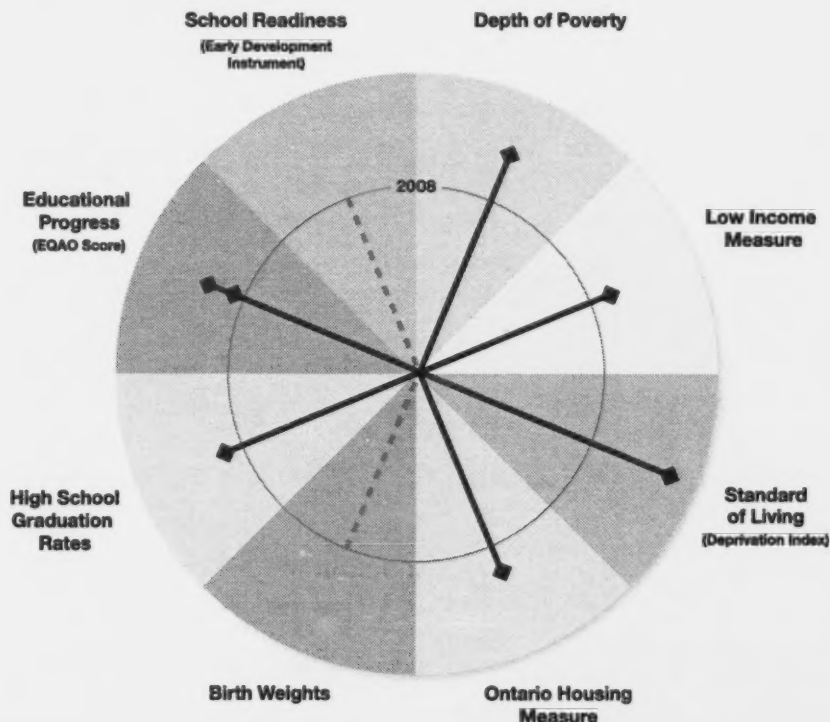
The Ontario Housing Measure lays out the percentage of households with children under 18 that have incomes below 40 per cent of the median household income (LIM40) and spend more than 40 per cent of their income on housing.

In 2009, the percentage of children under 18, living in households with incomes below 40 per cent of the LIM40, declined from 5.4 per cent in 2008 to 5.0 per cent.



The Child and Youth Opportunity Wheel

The Child and Youth Opportunity Wheel provides a visual summary of improvements over time in each of the eight indicators. The inside circle represents the baseline data starting at 2008 on all indicators. Spokes going out from the centre measure progress for each year. Where a spoke extends outwards past the inner circle, this means outcomes have improved. The further the spoke is from the circle, the larger the improvement. If a spoke falls inside the circle, outcomes have deteriorated.



Poverty Reduction Strategy Indicators

Progress made on each indicator for 2009-10 and 2010-11. Data for Birth Weight and School Readiness will be available in 2012.

—◆— 2010-11
—◆— 2009-10
- - - - Available in 2012

Indicator	2006-07	2007-08	Launch of PRS 2008-09	Year One 2009-10	Year Two 2010-11	Improvement
Birth Weights*	80.0%			N/A		N/A
School Readiness (Early Development Instrument)*	71.5%			N/A		N/A
Educational Progress** (Combined Grade 3 and Grade 6)			67.0%	68.0%	69.0%	Progress
High School Graduation Rates			79.0%	81.0%		Progress
Low-Income Measure (LIM50)			15.2%	14.6%		Progress
Depth of Poverty (LIM40)			8.5%	7.3%		Progress
Standard of Living (Deprivation Index)***			12.5%	8.7%		Progress
Ontario Housing Measure (LIM40)			5.4%	5.0%		Progress

Notes: * Reported on a three-year cycle. The next cycle for reporting will be in 2012.

** Educational Progress (EQAO) scores for 2010-11 were released in Summer 2011. Other 2010-11 data will be available in 2012.

*** There was a change in surveys that carry the deprivation questions, which may have had an effect on the results. Caution should be exercised when interpreting the change between years.

4. OUTLOOK

FOR 2012

Despite the effects of a challenging economic climate, measurable progress has been made towards improving the lives – and future prospects – of children and families across the province.

Together we are making a difference

When we embarked on the Poverty Reduction Strategy three years ago, it was clear that we were taking on a bold and unprecedented goal: reducing child poverty by 25 per cent in five years.

But the figures are beginning to show improvement. We are making progress.

The poverty prevalence for children in Ontario declined from 15.2 per cent in 2008 to 14.6 per cent in 2009. That means 20,000 children have moved out of poverty. We have made progress despite a global economic recession.

Changes in the number of children living in deep poverty are even more encouraging. The poverty prevalence for these children declined from 8.5 per cent in 2008 to 7.3 per cent in 2009, meaning that 34,000 children were lifted out of deep poverty.

Also, our Standard of Living indicator tells us that the number of children living in households that could not afford two or more essential items has decreased from 12.5 per cent in 2008 to 8.7 per cent in 2009.

Today, 52,500 more elementary school students are meeting or exceeding provincial reading, writing and math standards than was the case eight years ago and the high school graduation rate has increased to 81 per cent, a 13 percentage point increase since 2003–04.

While we acknowledge that 2012 promises to be a year of continuing economic uncertainty, we also recognize the importance of protecting the progress we have made together over the past eight years. We remain committed

to our Poverty Reduction Strategy, and that means continuing to invest in Ontario's people – especially our children and our most vulnerable – so that we can keep building on the tremendous progress we have made.

Moving forward

As we look to 2012, we remain committed to the long-term goals of Ontario's Poverty Reduction Strategy and to our vision of a province in which every individual has the opportunity to achieve, succeed, and contribute:

- The Results Table, chaired by the Minister of Children and Youth Services, the Honourable Dr. Eric Hoskins, and made up of Cabinet Ministers, Members of Provincial Parliament (MPPs) and external experts, will re-convene in the new year and continue the important work of guiding and monitoring the implementation of the Poverty Reduction Strategy.
- The Commission for the Review of Social Assistance will conclude in June 2012, and we look forward to receiving their recommendations for a more responsive, coordinated and transparent social services system.
- In January 2012, we will reduce the average tuition by 30 per cent for full-time undergraduate college and university students whose families earn less than \$160,000 per year to keep postsecondary education within their reach.
- The *Not-For-Profit Corporation Act, 2010* will come into force in 2012, and benefit many organizations across the province, including those providing food, employment and housing assistance.
- Ontario's innovative Social Venture Exchange will launch in early 2012 to help strengthen the social enterprise sector and, in turn, further the goals of the Poverty Reduction Strategy.
- We will continue implementing Ontario's Comprehensive Mental Health and Addictions Strategy, supported by investments that will grow to \$93 million a year by 2013–14, to improve outcomes for kids struggling with mental health issues.

- Implementation of Full-Day Kindergarten will continue expanding to reach approximately 120,000 students in 2012–13, with the goal of achieving full provincewide implementation by 2014.

- We will continue to listen and work with all Ontarians as we develop the next stage of our strategy.

We continue to urge the federal government to support Ontario's poverty reduction efforts, and partner with us by providing stable funding in critical areas such as child care and early learning, Aboriginal communities, health care and skills training. We will also continue in our efforts to call for critically needed changes in Employment Insurance so that Ontario workers are adequately supported.

We encourage municipal governments, not-for-profit organizations – and every Ontarian – to play a part in this very important endeavour, and to recognize that poverty is everybody's business.

Conclusion

As we reflect on our progress over the first three years, we need to remember that the indicators are not simply statistics. They represent real lives and the future of real individuals and families. We know that the dream of one generation – for example, to go to college or university – becomes the expectation of the next. We know that raising one child out of the intergenerational cycle of poverty will affect many generations to come, which underlines the critical importance of the work we are doing today.

As a government, as professionals and volunteers who work every day in our communities with Ontario's most vulnerable population, and as citizens, we have the opportunity to bring lasting change to the lives of Ontarians living in poverty. We are well on our way toward that goal, and we acknowledge with sincere thanks every Ontarian who is playing a part in making a difference every day.



